



## Press Release

Luxembourg, 26 July 2022

# REPowerEU could fall short of ambitions, EU auditors warn

**REPowerEU, the EU's plan to rapidly reduce dependence on Russian fossil fuels, diversify energy supplies at EU level and accelerate the green transition, may face significant practical challenges, the European Court of Auditors warns in an Opinion published today. In particular, the success of REPowerEU will depend on complementary actions at all levels, and on securing financing of around €200 billion.**

Following the Russian invasion of Ukraine, the European Council decided that the EU should fully phase out its dependency on Russia gas, oil and coal imports as soon as possible. The European Commission consequently presented the REPowerEU plan, aimed at increasing the resilience of the EU's energy system by reducing its dependence on fossil fuels and diversifying energy supplies at EU level. This objective will be implemented through the Recovery and Resilience Facility (RRF): measures in support of the objective will be included in the REPowerEU chapters of the national recovery and resilience plans.

*"Russia's invasion of Ukraine turned the spotlight onto our dependence on gas, oil and coal imports, and the EU absolutely needed to act and respond swiftly to increased energy security concerns,"* said Ivana Maletić, the ECA member responsible for the Opinion. *"But our view is that REPowerEU, in its current shape, might fail to quickly identify and implement EU strategic projects with immediate and highest impact on the EU energy security and independence."*

Although the proposal provides a comprehensive overview of the context and main challenges, the auditors highlight a number of inconsistencies in the design of REPowerEU. While the objective of REPowerEU focuses on the EU as a whole, the RRF is implemented through measures proposed by Member States. This poses a risk in terms of tackling upcoming challenges strategically, and may result in projects of strategic importance for the EU as a whole not being funded through REPowerEU, the auditors say.

The Commission estimated that the additional investments for REPowerEU – and more particularly for phasing out Russian fossil fuel imports by 2027 – would amount to €210 billion. But the total additional funding made available amounts to only €20 billion. The other sources of funding are outside the Commission's control, and depend on Member States' willingness to use the remaining RRF loans or transfer funds from other EU policies, in particular Cohesion and rural development. Consequently, the EU auditors warn that the total amount of funding actually available may be insufficient to cover estimated investment needs.

*The purpose of this press release is to convey the main messages of the European Court of Auditors' Opinion. The full Opinion is available at [eca.europa.eu](https://eca.europa.eu).*

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The envisaged distribution of funds to Member States also poses problems, according to the auditors. Since funds would be distributed in proportions based on those used initially for the RRF, they would reflect neither the current challenges and objectives of REPowerEU nor the specific needs of Member States. The lack of any specific deadline for submitting the REPowerEU chapters reduces the likelihood of identifying and promoting cross-border projects. The absence of any comparative analysis limits the strategic view of which projects have the highest potential to contribute to the EU's energy security and independence.

In their Opinion, the auditors highlight several other weaknesses affecting REPowerEU, including in the areas of reporting, monitoring and evaluations, as well as the submission and assessment of the REPowerEU chapters.

### **Background information**

On 18 May 2022, the European Commission presented the REPowerEU plan, a roadmap towards achieving a more resilient energy system and a true Energy Union, by ending the dependence on fossil fuels, diversifying energy supplies at EU level and accelerating the clean energy transition.

The measures in the REPowerEU plan are intended to respond to these ambitions, through energy savings, diversification of energy supplies, accelerated rollout of renewable energy to replace fossil fuels in homes, industry and power generation, and production of clean energy.

The Opinion published today aims to provide an assessment of the overall design of REPowerEU, the adequacy of the amendments proposed and potential risk in terms of implementation.

Opinion No 04/2022 is available on the [ECA website](#) in English; other EU languages will follow shortly.

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